(d) what are the main reasons for short supply of cotton bales to the textile industry in the country; and

(e) what measures have been taken by the Government to improve the situation?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI ASHOK GEHLOT); (a) The textile industry has been affected due to upward trend of prices of cotton during the current cotton season (Sept. 91-Aug. 92).

(b) The consumption of cotton by mills during the period Aug.' 91- Jan. '92 was about 51 lakh bales.

(c) During the period Aug.' 91-Jan. '92 the capacity utilisation in the spindles has marginally declined by about 1,38 per cent.

(d) The opening stock of 1991-92 cotton season was about 22.84 lakh bales as compared to 33,04 lakh bales. at the beginning of 1990-91 season.

(e) The measures taken by the Go vernment include adoption of a caut ions policy on the export of cotton and cotton yarn. There is also a proposal to import cotton, the modalities of which are being worked out.

Handing over Jute Mills on Lease

1766. SHRI KRISHNA KUMAR BIRLA. Will the Minister of TEXTILES be pleased to state:

(a) whether Government have decided to hand over six nationalised jute mills under N.J.M.C. on lease to a private company against a payment of Rs. 30 crore; and

(b) if so, what are the reasons therefor and what are the terms of lease, if any?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI ASHOK GEHLOT); (a) No, Sir.

(b) Does not arise.

Improvement in the quality of value added textiles products

1767. SHRI SANTOSH BAGRO-DIA: Will the Minister of TEXTILES be pleased to state;

(a) what is the detailed plan of the Government to encourage and im prove the quality of value added Tex tiles products which can be used for domestic consumption and also for exports; and

(b) what is the target for total export of textiles to be increased during the next 5 years?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI ASHOK GEHLOT). (a) Government have taken various measures for modernising all sectors of Textile Industry. A statement of such measures is enclosed. *(See* below).

(b) By the terminal year of 8th Five Year Plan the export of textiles are projected to reach a level of Rs. 45,700 crores (US $ 17,577 Millions) .

Statement

Measures taken by Government for increasing and improving production of value added Textile Products.

HANDLOOM SECTOR

(i) Financial assistance for mod-ernisation of looms;

(ii) Scheme of decentralised training to train weavers on' improved technology;

(iii) Scheme of training a cadre of 'Bunkar Sevaks' for assisting weavers in transfer of improved technology;

(iv) Protection to handlooms by reserving certain varieties of cloth for their exclusive production in the handloom sector;

(v) Design support and provision of technological inputs through a number of Weavers' Service Centres in the Country;

(vi) Assistance to weavers to enable them to form indusrial type cooperatives;

(vii) Market Development Assistance Scheme to give market support to handloom products.

POWERLOOM SECTOR

(i) The Department of Banking, Financial Institutions and NABARD had been requested to provide adequate credit to meet the needs of modernisation and working capital of Powerloom Sector.

(ii) The State Governments had been requested to encourage the promotion of Powerloom Cooperative Societies along with making contribution to their share capital so as to facilitate provision of financial assistance and marketing facilities to Powerloom Sector.

(iii) Government had set up 13 Powerloom Service Centres under the Office of the Textile Commissioner all over the country for conducting regular training programmes for weavers development, of new designs, improvement of quality of weaving, improvement of maintenance of looms besides providing free testing facilities for yams and fabrics etc. These centres are being restructured tor making them more effective and responsive. Sixteen such centres are running under various Textile Research Associations. In all there are 29 PSCs.

MILL SECTOR

(i) For increasing modernisation of Mills Sector Government had set up Textile Modernisation Fund of Rs. 750 crores.

(ii) Import of modern machinery is allowed under OGL.

(iii) The present policy of liberalisation is expected to improve the technology and efficiency of Textile Sector.

(iv) 9 Textile Researach Associations are working under Ministry of Textiles towards technology up-gradation and making the Textiles Industry effective.

Delinking of exports with DGS&D for up-country juti mills

1768. SHRI SANTOSH BAGRO-DIA: Will the Minister of TEXTILES be pleased to state:

(a) whether Government have decided to delink exports with DGS&D orders atleast for up-country jute mills;

(b) if so, the details thereof; and

(c) if not, whether Government are aware that such up-country mills may close down resulting in heavy unemployment?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI ASHOK GEHLOT): (a) No, Sir.

(6) Does not arise.

(c) Linking of DGS&D orders with export obligation is not likely to lead to closure of any mill. Jute mills which do not presently have export production have been allowed the flexibility of purchasing the export obligation from the market. Mills which cannot afford to pay the premium on purchase of such export obligation have been advised to formulate plans of action to diversify their production and reorient it towards exports. Government will only consider and take appropriate action on any request for exemption from any jute mills if the latter are unable to fulfill the export obligation despite their best efforts.